

Christmas, Robert

Subject: FW: lucent

Attachments: Luminari Green Front.jpg; Luminari Green Back.jpg

From: Alex Grizenko [mailto:alex@lucentdiamonds.com]

Sent: Wednesday, August 22, 2007 4:44 PM

To: Les Lew

Subject: civil action

Leslie Lew
Alan Klienber

Dear Les and Alan:

I would have responded to you earlier however I only received the summons two days ago when I got back to Denver (I left on August 3rd).

My situation is rather straightforward. During the past three years I pursued a market that proved to be a great mistake (Imperial Red), had a partner that proved to be a mistake, and find myself in circumstances where I am doing everything that I can to rebuild my company rather than go bust.

As a result, I had to liquidate almost all of my assets just to stay afloat. Since I have personally signed for the diamonds from you, I can tell you that I have nothing left, no equity in my home (2nd mortgage), no equity in my automobile, no savings, no stocks, liens against a few items of value, etc. In other words, nothing.

In talking to my accountant, he recommended the most prudent course of action would be to declare company and personal bankruptcy. I do not want to do this if I do not have to. And, I truly want to repay my debts. If you carry out your collection action, you essentially force me down this road.

I have numerous accounts receivables that I am currently trying to collect. Unfortunately, to date with little success. We call each customer on a weekly basis.

Lucent Diamonds does have an excellent reputation, and is well known in the industry. I have been negotiating to sell the company name to a buyer who is interested in forming a company that will manufacture and sell synthetic diamonds. Your debt has been disclosed to the buyer, and would be covered as part of the sale. Of course, your civil action would encumber any possibility of sale.

Lucent Diamonds does own a large number of HPHT diamonds and a smaller number of brown diamonds. I am actively trying to sell at discounts this inventory.

I propose that we immediately send you \$300,000 of HPHT diamonds priced at a 30% discount from the trade price list. Most of the buyers that I am talking to are in New York, and it would be convenient for the buyers to see the goods at your office. For a lot sale I would be happy to go down to 50% of price.

Possibly you might be able to recommend buyers who might be interested in this product. Of course the money from all sales would be kept by you. Also I am sending out a mass emailing (see attached) to several hundred designers and designer oriented stores worldwide. Jewelry designers have been the

8/30/2007

only ones really interested in these products. Again, all sales can go through and be kept by you.

I want to emphasize that my motivation is to pay you back and not go out of business. Can we find a solution that would give Werdiger the best opportunity to collect on your debt, at the least possible cost?

Sincerely yours,
Alex Grizenko
303-526-0556

8/30/2007